



STATE PROCUREMENT OFFICE
NOTICE OF REQUEST FOR EXEMPTION
FROM HRS CHAPTER 103D

14 DEC 18 A7:42

TO: Chief Procurement Officer

ADMINISTRATION
STATE PROCUREMENT OFFICE
STATE OF HAWAII

FROM: DBEDT/Hawaii Housing Finance and Development Corporation
Name of Requesting Department

Pursuant to HRS § 103D-102(b)(4) and HAR chapter 3-120, the Department requests a procurement exemption for the following:

1. Describe the goods, services or construction:

Professional services contract for the design of a .200 million gallon potable water tank reservoir and appurtenant water mains at Waiahole Valley to replace an existing 1.0 million gallon potable water tank reservoir that is leaking and could fail at any given time. This potable water system services about 150 users in Waiahole Valley. The contract and supplements are itemized as follows:

1. Initial Contract amount: \$686,472; Supplemental Contract #1: \$14,325 (additional survey services); Supplemental Contract #2: \$10,000 (hydrological engineering assessment); and Supplemental Contract #3: \$50,000 (hydrological test bore hole). The contract time was extended to February 27, 2015 under SPO-003 and was assigned a contract extension number: CE14-030D. Additional Contract Time of 900 calendar days is needed to extend the contract time to August 15, 2017 as shown on the attached Project Schedule. Additional contract time is needed to cover the lengthy time to obtain Board of Water Supply approvals. The additional time will also be needed to assess and implement (if feasible) a new source well site at the existing water tank site.

2. Vendor/Contractor/Service Provider

Bills Engineering, Inc.

3. Amount of Request:

\$ + 457,657.20 for 1/20/15

4. Term of Contract From: 2/27/2015 To: 8/15/2017

5. Prior SPO-007, Procurement Exemption (PE): None

6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:

The original contract with Vendor was procured under the Professional Services procurement method. The additional time extension request (necessary to account for BWS approval process) beyond the allotted contract time is not practicable to be procured by competitive means because the Vendor has already put in a lot of research in formulating the requirements of the Honolulu Board of Water Supply (BWS) and has completed 70% of the design drawings phase for the new water tank for future dedication to BWS. To resolicit this design work just to obtain a time extension will forfeit the ongoing design work and would only further delay the replacement of a leaking water tank, which is not beneficial to HHFDC or the residents of Waiahole Valley. Further, the State Dept. of Health Safe Drinking Water Branch has made recommendations regarding the existing water tank that clearly justifies the need for a new water tank.

7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider:


The Vendor was selected under the professional services procurement method. The top three professional engineering consultants were identified by the selection committee to be capable of performing this work. Vendor was selected as having the best rating according to the criteria established for the selection of a professional engineering consultant for the design of potable water systems.

8. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required).

*Point of contact (Place asterisk after name of person to contact for additional information).

Name	Division/Agency	Phone Number	e-mail address
Krystal-Lee Tabangcura	DBEDT/HHFDC	587-3179	krystal-lee.k.tabangcura@hawaii.gov
*Leo Domingo	DBEDT/HHFDC	587-3170	leonell.a.domingo@hawaii.gov

*All requirements/approvals and internal controls for this expenditure is the responsibility of the department.
I certify that the information provided above is, to the best of my knowledge, true and correct.*


Department Head Signature

12-8-14
Date

For Chief Procurement Officer Use Only

Date Notice Posted: 12.19.14

Inquiries about this request shall be directed to the contact named in No. 8. Submit written objection to this notice to issue an exempt contract within seven calendar days or as otherwise allowed from date notice posted to:

state.procurement.office@hawaii.gov

Chief Procurement Officer (CPO) Comments:

Approval is granted with the understanding that the department determined that it is not advantageous to conduct a competitive procurement to complete the design and replacement of a potable water tank reservoir and appurtenant water mains servicing 150 users in Waiahole Valley. The professional services contract for the design and replacement commenced in FY 2011 with 40% completed as of 12/31/2014. The exempt contract would contain only the remaining work as outlined in the original professional services contract. This approval is for the solicitation process only, HRS section 103D-310(c) and HAR section 3-122-112, shall apply (i.e. vendor is required to provide proof of compliance) and award is required to be posted on the Awards Reporting system.

If there are any questions, please contact Bonnie Kahakui at 587-4702 or bonnie.a.kahakui@hawaii.gov.

☒ Approved

☐ Disapproved

☐ No Action Required


Chief Procurement Officer Signature

2/6/15
Date